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Sent: 6/20/2019 12:50:59 PM
To: Dickens, Brian [dickens.brian@epa.gov]
Subject: Revised NSPS OOOOa Technical Reconsideration Options Selection

I wanted to let you know that ECAD recommends the Region state it has concerns with some of the options recommended by OAQPS for inclusion in the final technical amendments to the 2016 New Source Performance Standard for Crude Oil and Natural Gas Facilities, Subpart OOOOa. The Options Selection is scheduled for Friday, June 21 at 11:00 Central. ECAD staff have participated on the national workgroup on this rule.

Background: On October 15, 2018, EPA proposed technical amendments to the 2016 NSPS OOOOa, with the comment period closing on December 17, 2018. The Agency is proposing its general positions on a variety of different rule components. Below are ECAD's comments on the major issues.

Storage vessels: The proposed option is to exempt storage vessels from NSPS OOOOa requirements if the source has a "legally and practically enforceable" state permit that requires 95% control of VOC emissions. These storage vessels would only be subject to fugitive emissions monitoring.

Region 5 ECAD has concerns with this approach for the following reasons:

- Without specifications on what is required for a permit to include in order to achieve the purported 95% VOC reductions, there will be variable stringency of state permitting language and uncertainty regarding the adequacy of such permits.
- If a state puts forth a permit that EPA believes to be inadequate to achieve 95% reductions, what is the recourse?
- If a source has a state permit, and violates the terms of its permit that are necessary to achieve the 95% emissions reductions, has the source triggered applicability and is no longer exempt from the OOOOa storage vessel provisions? Or is it simply a permit violation?
- Region 5 asserts that fugitives monitoring is no substitute for proper design, operation, control, inspection, maintenance, and repair. Fugitives monitoring is a backstop program to a primary method of compliance that ensures 95% VOC reduction.
- If the permit is not federally enforceable, EPA will not be able to ensure a source's compliance with the permit provisions that exempted the storage vessels from OOOOa applicability.
- This approach was not in the reconsideration proposal and has not gone through notice and comment. This approach will likely place additional permitting burdens on the states, which have not been given prior notice.

Fugitive Emissions Monitoring: The proposal includes different frequency of fugitive emissions monitoring for different types of well sites: "low-production" well sites (defined on a 12-month average production of <15 barrels of oil equivalent (BOE) per day), and all others. For wells that start out with production above 15 BOE per day, but drop below at some point, there may be considered an "off-ramp" for these sites.

Region 5 ECAD has concerns with this approach for the following reasons:

- Easy determination of applicability is a key goal of effective rulemaking. By dividing wells into different categories based on production, applicability is unclear. Most often, availability of production data to outside parties is delayed by at least several months. There is no way for EPA compliance personnel to verify if a well is "low-production" during an onsite inspection, and by the time the data to make such a determination becomes available, the status of the well may have changed.
- The low-production cutoff is defined on a 12 month average basis. Although well production typically declines with well age, this decline is not always steady. For wells whose production "bounces" above and below the 15 BOE cutoff, applicability is unclear.

- NSPS is intended to capture all new sources. Having an “off-ramp” for a category of sources that are initially subject to the rule runs counter to the CAA requirements for developing NSPS rules.
- Based on October 2018 EIA data, the low-production well exemption could be removing a very large portion of the currently regulated universe. “...*the share of U.S. oil and natural gas wells producing less than 15 BOE/d has remained surprisingly steady at 80% from 2000 through 2017 (Figure 1).*”
https://www.eia.gov/petroleum/wells/pdf/full_report.pdf

Alternative Means of Emissions Limitation (AMEL): The proposal includes state-specific fugitives emissions monitoring programs that are determined to be equivalent to the fugitive emissions monitoring requirements in NSPS OOOOa. If deemed equivalent by this rule, a source could comply with the state standard in lieu of NSPS OOOOa fugitives monitoring standards.

Region 5 ECAD has concerns with this approach for the following reasons:

- A mechanism for revising state programs and gaining approval is not clear and not proposed in the rule. -
- The format of recordkeeping and reporting is currently unclear. The final recordkeeping and reporting requirements must be sufficient for EPA to determine a source’s compliance with the approved alternative standard.

These are the main concerns. I will provide more detailed feedback to the workgroup chairs on these and other issues.

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